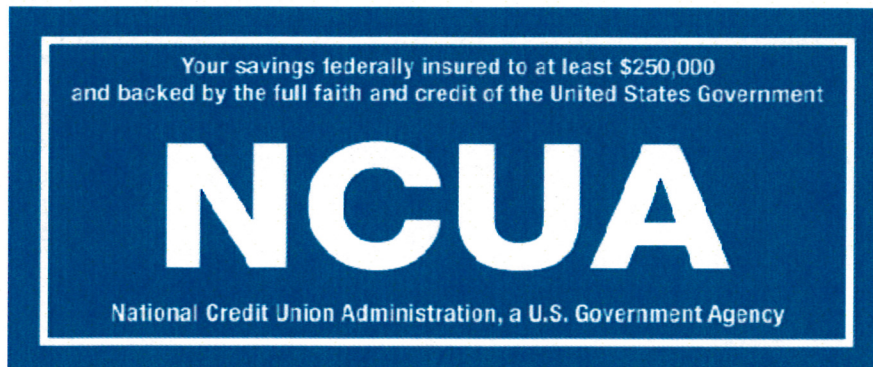


NATIONAL CREDIT UNION SHARE INSURANCE FUND



PRELIMINARY AND UNAUDITED FINANCIAL HIGHLIGHTS August 31, 2012

Mary Ann Woodson

**MARY ANN WOODSON
CHIEF FINANCIAL OFFICER**

NATIONAL CREDIT UNION SHARE INSURANCE FUND

PRELIMINARY AND UNAUDITED BALANCE SHEET

As of August 31, 2012

(Dollars in thousands)

	August 2012	July 2012	August 2011
ASSETS			
INTRAGOVERNMENTAL			
Fund Balance with Treasury	\$ 1,328	\$ 561	\$ 518
Investments, Net U.S. Treasury Securities	10,987,575	11,156,735	11,230,452
Accounts Receivable - Note due from the National Credit Union Administration Operating Fund	14,862	14,974	16,203
Accounts Receivable, Other	252	783	-
Accrued Interest Receivable, Investments	58,513	78,612	69,037
Total Intragovernmental Assets	<u>11,062,530</u>	<u>11,251,665</u>	<u>11,316,210</u>
PUBLIC			
Accounts Receivable - Capitalization Deposits from Insured Credit Unions, Net	-	-	1
General Property, Plant, and Equipment, Net	5	7	25
Capital Note Receivable, Net	70,000	70,000	-
Accrued Interest Receivable	484	175	-
Other - Investments	184,686	-	-
Other - Receivable from Asset Management Estates, Net	259,506	264,139	126,527
Total Public Assets	<u>514,681</u>	<u>334,321</u>	<u>126,553</u>
TOTAL ASSETS	<u>\$ 11,577,211</u>	<u>\$ 11,585,986</u>	<u>\$ 11,442,763</u>
LIABILITIES			
INTRAGOVERNMENTAL			
Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund	\$ 901	\$ -	\$ -
Total Intragovernmental Liabilities	<u>901</u>	<u>-</u>	<u>-</u>
PUBLIC			
Accounts Payable	3	25	1,352
Other - Insurance and Guarantee Program Liabilities (Reserves)	632,349	632,572	1,000,028
Total Public Liabilities	<u>632,352</u>	<u>632,597</u>	<u>1,001,380</u>
TOTAL LIABILITIES	<u>633,253</u>	<u>632,597</u>	<u>1,001,380</u>
NET POSITION			
Contributed Capital	7,950,073	7,950,085	7,578,300
Cumulative Result of Operations	2,993,885	3,003,304	2,863,083
Total Net Position	<u>10,943,958</u>	<u>10,953,389</u>	<u>10,441,383</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 11,577,211</u>	<u>\$ 11,585,986</u>	<u>\$ 11,442,763</u>

NCUSIF FINANCIAL HIGHLIGHTS
August 31, 2012

Balance Sheet:

Other - Investments: consists of \$184.7 million in commercial loans, maturities through December 31, 2017.

Other - Insurance and Guarantee Program Liabilities (Reserves): is \$632.3 million as August 31, 2012. \$151.8 million is for specific natural person credit unions and \$480.5 million is for non-specific natural person credit unions.

Cumulative Results of Operations: decreased by \$9.4 million for the month of August. This change is due to net income earned by the fund for the month of \$5.6 million and an unrealized loss on available-for-sale U.S. Treasury Securities of \$15.0 million.

Statement of Net Cost:

For the month of August 2012, the fund earned net income of \$5.6 million. The NCUSIF recognized gross revenues of \$17.2 million and total operating expenses of \$11.8 million. The fund also realized a reduction in insurance loss expense of \$0.2 million.

NATIONAL CREDIT UNION SHARE INSURANCE FUND
PRELIMINARY AND UNAUDITED STATEMENTS OF NET COST
For the Periods Ending August 31, 2012
(Dollars in thousands)

	August 2012	CY to Date 2012	CY to Date August 2011
GROSS COSTS			
OPERATING EXPENSES			
Employee Pay	\$ 6,494	\$ 49,785	\$ 47,763
Employee Benefits	2,050	15,542	13,756
Travel	1,367	9,996	9,395
Rent, Communications, and Utilities	277	2,033	1,697
Administrative Costs	811	5,157	5,314
Contracted Services	760	5,911	6,201
AMAC Expense	-	356	63
Training Expense	46	580	742
Leasing Expense	2	87	13
Other Insurance Expense	4	36	764
Total Operating Costs	<u>11,811</u>	<u>89,483</u>	<u>85,708</u>
INSURANCE LOSS EXPENSE	<u>(223)</u>	<u>35,993</u>	<u>(160,354)</u>
Total Gross Costs	<u>11,588</u>	<u>125,476</u>	<u>(74,646)</u>
LESS EXCHANGE REVENUES			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(24)	(200)	(235)
Interest Revenue - Other	(123)	(824)	-
Other Revenue	-	(3,661)	-
Insurance and Guarantee Premium Revenue	-	-	(45)
Total Exchange Revenue	<u>(147)</u>	<u>(4,685)</u>	<u>(280)</u>
TOTAL NET COST/(INCOME) OF OPERATIONS	<u>11,441</u>	<u>120,791</u>	<u>(74,926)</u>
LESS NON-EXCHANGE REVENUES			
Investment Income	(17,022)	(140,358)	(152,207)
Total Non-Exchange Revenues	<u>(17,022)</u>	<u>(140,358)</u>	<u>(152,207)</u>
TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES	<u>(5,581)</u>	<u>(19,567)</u>	<u>(227,133)</u>

NATIONAL CREDIT UNION SHARE INSURANCE FUND
PRELIMINARY AND UNAUDITED STATEMENTS OF NET POSITION
August 31, 2012
(Dollars in thousands)

NET POSITION BREAKDOWN	<u>August 2012</u>	<u>July 2012</u>	<u>August 2011</u>
CU Contributed Capital	\$ 7,950,073	\$ 7,950,085	\$ 7,578,300
Retained Earnings	<u>2,552,527</u>	<u>2,546,946</u>	<u>2,411,637</u>
Total Net Position without Unrealized Gain/Loss	<u>10,502,600</u>	<u>10,497,031</u>	<u>9,989,937</u>
 Unrealized Gain/(Loss) - Investments	 <u>441,358</u>	 <u>456,358</u>	 <u>451,446</u>
 NET POSITION	 <u>\$ 10,943,958</u>	 <u>\$ 10,953,389</u>	 <u>\$ 10,441,383</u>

Comparative Analysis of NCUSIF Ratios for August 2012

	<u>August 2012</u>	<u>July 2012</u>	<u>August 2011</u>
Investments/Total Assets	94.91%	96.30%	98.14%
Total Equity/Insured Shares (1)	1.26%	1.26%	1.28%
Available Assets Ratio	1.24%	1.26%	1.31%
Ins. Loss Exp./Insured Shares	0.00%	0.00%	0.00%

Actual Insured Shares as of June 30, 2012	834,267,557,427
Actual Insured Shares as of December 31, 2011	795,287,721,573
Actual Insured Shares as of June 30, 2011	782,422,299,428

(1) The July and August 2012 ratio is based on an actual insured share level of \$834.3 billion as of June 30, 2012. Collection of the 1% capitalization deposit adjustment associated with the share growth to be collected in September, would raise the equity ratio to 1.30%.

(1) The August 2011 Equity Ratio was based on an actual insured share level of \$782 billion as of June 30, 2011.

Figure 1

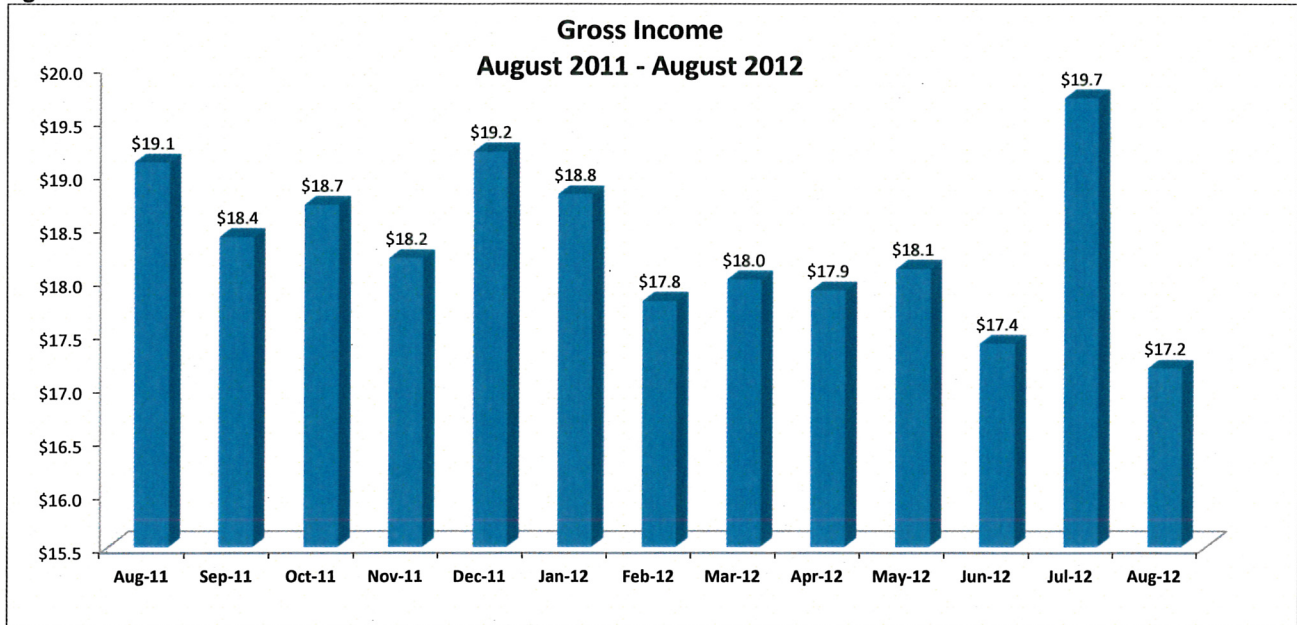


Figure 2

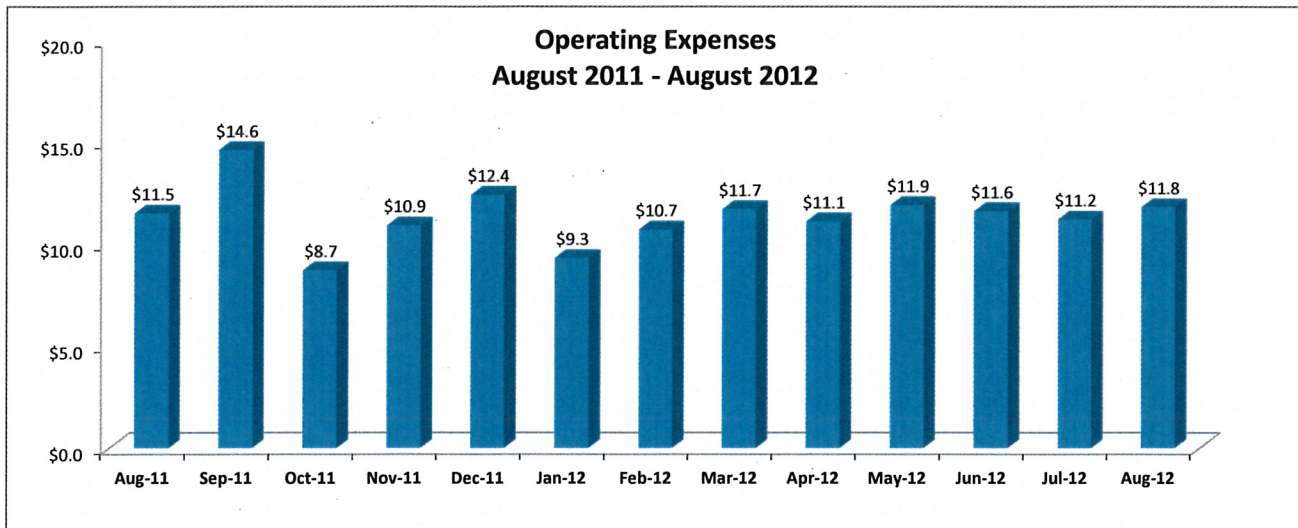
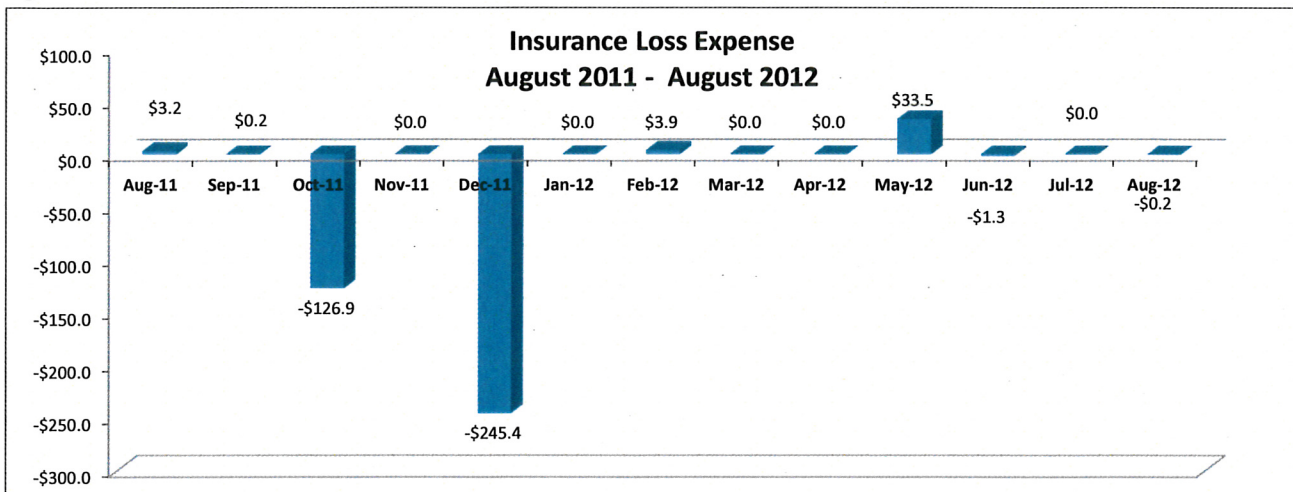


Figure 3



INVESTMENT PORTFOLIO SUMMARY
August 31, 2012

I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE (In Dollars)						
	Book Value	Market Value	Gain or (Loss)	% Market to Book Value	Weighted Average Yield	
Daily Treasury Account	\$ 657,285,000	\$ 657,285,000	\$ -	100.00%	0.10%	
U.S. Treasury Notes	9,888,932,273	10,330,290,318	441,358,045	104.46%	2.01%	
Total	\$ 10,546,217,273	\$ 10,987,575,318	\$ 441,358,045	104.18%	1.88%	
II. INVESTMENT PORTFOLIO SUMMARY						
	Last Month	Current Month	CY To Date			
Investment Yield	1.88%	1.88%	1.94%			
Investment Income	\$ 17,100,999	\$ 17,022,804	\$ 140,359,150			
Weighted Avg. Maturity in Days	1,056	1,042				
III. MONTHLY ACTIVITY						
Purchased	Type	Amount	Maturity	Yield		
N/A						
TOTAL		\$ -				
IV. MATURITY SCHEDULE (par value in millions)						
Overnight	\$	657				
1 month - 6 months		1,000				
6 months - 1 year		800				
1 year - 2 years		1,450				
2 years - 3 years		1,920				
3 years - 4 years		2,050				
4 years - 5 years		1,250				
5 years - 10 years		1,200				
TOTAL	\$	10,327				